Associated Press Writer

WASHINGTON (AP) - The late CIA Director William Casey was a complex, cagey man capable of staging a 'charade' meeting with Oliver North to deny agency involvement in the Iran-Contra affair.

a former colleague told senators Thursday.

One-time operative Alan Fiers also recalled for the Senate Intelligence Committee that Casey once persuaded him there was nothing to the rumors - later proven true - that he was dying of cancer.

'He looked at me with an absolute straight face and convinced me that that was balderdash,' Flers said in a morning of nationally televised testimony at confirmation hearings for CIA nominee Robert Gates.

''Now, that's Bill Casey.''

Fiers, who worked closely with Casey in the mid-1980s on the agency's support for the Nicaraguan Contra rebels, painted a picture of a man who was brilliant and as perceptive as he was deceptive.

Casey often came to Capitol Hill to testify before the committee during his tenure at the spy agency, but remains nearly as enigmatic a figure for the senators as for the public.

He had a habit of mumbling when he spoke to his congressional overseers, which many thought was a tactic to evade sharing information in a process he openly resented. The panel even had earpieces installed at each member's place around the table to help them understand better. ''It didn't work very well,'' says the chairman, Sen. David Boren, D-Okla.

Only after he died was Casey portrayed as the mastermind of the Iran-Contra affair in the testimony of Lt. Col. Oliver North, who carried out the program from his post at the White House.

On Thursday, Fiers recounted how he resisted doing something for North in October 1984, soon after he took over as Latin American task force chief at the agency and when he knew little of the Contra aid operation. He was later told 'there are things going on that you don't know about. Cooperate with Ollie,' Fiers said.

He related the conversation to Clair George and another superior. Soon afterward, he, North and the two superiors were summoned to a meeting in Casey's office, where the director asked Fiers to recount what he had been told.

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''The director said, 'Good. I want you to understand that you're not to operate in Central America.' We walked out, and Clair and I went back to his office, and we both - I was somewhat left incredulous. And he said, 'Alan, you've got to understand what happened in that meeting just there.

''Sometime in the dark of the night, Bill Casey has said, I'll take care of Central America. Just leave it to me. And what you saw going on in there was a charade.'

'And I looked at Clair, and ... I said, 'Jesus Christ, Clair, if that's true, this will be worse than Watergate If it ever comes out in the open.' And Clair just said, shook his head and he said, my universe.'

But despite the unusually close relationship between Casey and Fiers, several rungs down the CIA's organizational ladder, the task operation.

''He said to me one time, late in the game, 'Alan, how much do you know about Ollie's operations?' And I said, 'Well, I know some it that way.' ''

Casey, who was Reagan's campaign manager in 1980, remained sensitive to politics. After the CIA's sponsorship of a manual for the Contras that advocated assassinations became public - Just director's office.

'Casey told me this is terrible, this is an election issue,' Fiers said. Reagan's polister, Richard Wirthlin, had attributed a 6-point drop in the polis to news of the covert operation, Casey told him.

At another time, Casey called Fiers to have lunch in Casey's office on the CIA building's 7th floor, Fiers said.

"'We talked about his visions," Fiers said, adding that Casey possible."

Then Casey said, ''You know, the rumor is out there ... that I have cancer and am a dying man. Do I look like a person that has

''And I looked at him, and he was healthy and robust and feisty, and I said, 'No, boss, you don't.' And he said, he said, in that inimical style, 'You're damn right I don't have cancer. Make sure

people understand that. I'm tired of these rumors.'

'The man had cancer, and the man didn't know he was dying at that point in time, but certainly was fighting cancer. And he looked at me with an absolute straight face and convinced me that was balderdash. Now, that's Bill Casey.''

Despite his denial of North's involvement in the Contra support become evident.

''He said to me almost wistfully, 'Alan, Ollie ran one hell of an operation, didn't he?' ... And I responded, 'He sure did.'''

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